

February 10, 2022 - Memo to File: Docket No. 5206 – Final Accounting Follow-Up
 OER asked the following question

QUESTION: Regarding 1-1-1 (the first example), the total line (\$31,467.49+\$524,747.85+\$640,732.85=\$1,196,948.19) does not add up to the “interconnecting customer’s cost responsibility under the ISA” (\$1,196,939.20)

RESPONSE:

Attachment PUC 1-1-1

Regarding the Company’s example in 1-1-1, upon further review, the interconnecting customer’s cost responsibility under the ISA for the actual cost of the associated impact study and system modifications, totals \$1,196,909.19, which reflects a \$30.01 price discrepancy from what was originally shared with the interconnecting customer. Given that the interconnecting customer’s previous aggregate payments to the Company totaled \$1,019,962.85, the difference totals \$176,946.34, which further reflects what the interconnecting customer owes to the Company after completion of the final accounting.

However, given that the interconnecting customer was not notified in advance of any expected cost increase for work to be performed, the Company has agreed to only invoice for the cost increase associated to the impact study, given that the costs exceeded the statutory fee, more specifically in regards to the statutorily set study fees for the ISRDG. As a result, the interconnecting customer will only be responsible for \$21,467.49, which was accurately presented to the interconnecting customer through their final accounting report, in example 1-1-1.

Please see the table below:

	Impact Study	System Mod	Substation
Labor, Expenses & Fringes	\$ 5,047.91	\$ 92,401.01	\$ 272,954.57
Materials & Handling	\$ -	\$ 191,534.72	\$ 43,155.06
Transportation	\$ -	\$ 4,709.34	\$ 30,509.16
Outside Services	\$ 20,664.63	\$ 132,204.61	\$ 162,964.47
Overheads	\$ 3,297.54	\$ 58,317.58	\$ 87,607.80
Proration Due to CAP WO	\$ -	\$ -	\$ -
Proration Due to CAP A&G	\$ -	\$ -	\$ -
Subtotal	\$ 29,010.08	\$ 479,167.26	\$ 597,191.06
Tax Gross-Up Adder	\$ -	\$ -	\$ -
Income Tax	\$ 2,457.41	\$ 45,550.59	\$ 43,532.79
Property Tax	\$ -	\$ -	\$ -
Sales Tax	\$ -	\$ -	\$ -
Grand Total	\$ 31,467.49	\$ 524,717.85	\$ 640,723.85
Interconnecting Customer's cost responsibility:			\$ 1,196,909.19